

Assembly Bill No. 1396

Passed the Assembly August 20, 1998

Chief Clerk of the Assembly

Passed the Senate August 18, 1998

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 1998, at ____ o'clock __M.

Private Secretary of the Governor

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CHAPTER ____

An act to add Section 7110 to the Public Contract Code, relating to child support.

LEGISLATIVE COUNSEL'S DIGEST

AB 1396, Alquist. Child support: state agencies: contracts.

Existing law prescribes requirements for contracts between private parties and public entities, as defined. Existing law also provides that, when a support order is entered, the court shall enter an earnings assignment order that orders the employer of the support obligor to pay to the obligee a portion of the obligor's earnings.

This bill would require all written contracts with state agencies in excess of \$100,000 to contain (1) an acknowledgment by the contractor of the policy of the state regarding the importance of child and family support obligations, and (2) an acknowledgment by the contractor that it is complying with all earnings assignment orders and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department.

The bill contains related legislative findings and declarations and states that the act shall be known as the Child Support Compliance Act of 1998.

The people of the State of California do enact as follows:

SECTION 1. This act shall be known as the Child Support Compliance Act of 1998.

SEC. 2. The Legislature finds and declares:

(a) In this state, more than 3,000,000 children do not receive the child support payments that they are entitled to receive.

(b) Only 14 percent of eligible children receive child support payments, which is six percentage points below the national average.



(c) The average California family's collection of child support is only three hundred sixty-two dollars (\$362) per month, which is approximately 35 percent below the national average of five hundred sixty-five dollars (\$565) per month.

(d) California spends one dollar (\$1) in administrative costs for every two dollars and seventeen cents (\$2.17) collected in child support payments.

(e) Nonpayment of child support is the leading cause of both childhood poverty and welfare dependency in the United States. The many thousands of dollars of unpaid child support are an enormous social problem that threatens the welfare of children and increases the burden on state taxpayers to provide social services for these children.

(f) It is the policy of this state that anyone who benefits financially from or through the state shall be in compliance with his or her court-ordered child support obligations.

SEC. 3. Section 7110 is added to the Public Contract Code, to read:

7110. (a) It is the policy of this state that anyone who enters into a contract with a state agency shall recognize the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code.

(b) Every written contract in excess of one hundred thousand dollars (\$100,000) executed between a contractor and a state agency shall contain the following:

(1) An acknowledgment by the contractor of the policy of the state set forth in subdivision (a).

(2) An acknowledgment by the contractor that to the best of its knowledge it is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New

Hire Registry maintained by the Employment
Development Department.



Approved _____, 1998

Governor

